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DD/S Air Proprietaries - FY 1972 Annual Report

I. Major Developments

1. In FY 1972, the Director of Central Intelligence made a decision not to retain air proprietaries purely as a contingency asset. In line with this decision, the Agency made plans for the disposal of its interest in Southern Air Transport either through sale of the assets to its former owners or by dissolution of the complex.

25X1 2. During FY 1972, an extensive effort was begun by the Air America complex to prevent use of company aircraft for trafficking in narcotics. Special inspection programs designed to preclude drug traffic were developed [redacted] for the company itself in all other areas of company operations.

II. Major Accomplishments

25X1 The Managing Director of Air America, in anticipation of the reduction in Southeast Asia requirements, initiated programs of decentralization of management, reduction of corporate size, and return of major corporate control to the United States. This program was initiated even though Southeast Asia flight requirements continued at a relatively high level. As of the end of the company fiscal year 1972, Air America complex's personnel consisted of [redacted]

25X1 hostile activity, however, 157 company aircraft were damaged by hostile fire and six corporate employees were either killed or are missing in action during company fiscal year 1972.

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